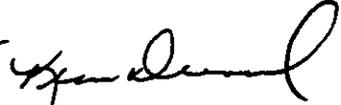


Board of County Commissioners
Agenda Request

Date of Meeting: March 11, 2003

Date Submitted: March 6, 2003

To: Honorable Chairman and Members of the Board

From: Parwez Alam, County Administrator 
Kim Dressel, Management Services Director 

Subject: Board Direction on Whether to Relocate Growth and Environmental Management (GEM) and the Competitive Site Selection Process

Statement of Issue

This item seeks Board direction on whether there is a need to relocate the County's Growth and Environmental Management (GEM) offices. If a determination is made to relocate GEM, this item further seeks Board direction on the competitive process for identifying potential relocation sites.

Background

During its March 19, 2002 workshop on long-term space needs of Courthouse and Traffic Court tenants, the Board directed staff to prepare an agenda item addressing the possible relocation of GEM to the Fringe Benefits building. A July 30, 2002 agenda item provided this analysis. Staff recommended that the Board not consider or act upon that location at the time, however, the Board directed staff to:

1. Request the sellers of the Fringe Benefits property to provide architectural renderings for the renovation of the Fringe Benefits property that would meet GEM's needs at a cost not to exceed \$122 per square foot (for a total cost of approximately \$3.7 million);
2. Develop a sales contract for the 3401 West Tharpe Street property (GEM's current location) at a minimum sales price of \$1.5 million; and
3. Identify additional funding to cover a potential funding shortfall of \$1.1 million.

An update on the Fringe Benefits building was provided to the Board at its December 10, 2002 meeting (per its direction during its December 9, 2002 retreat). The Board took no action relative to the Fringe Benefits building.

The Board directed staff, during its January 14, 2003 meeting, to return with an agenda item seeking a decision as to whether to relocate GEM. This agenda item was considered during the Board's January 28, 2003 meeting (Attachment #1). The Board directed staff to return to the Board with a competitive process for identifying potential relocation sites.

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At the February 11, 2003 meeting, the Board directed staff to prepare an agenda item to reconsider the Fringe Benefits building as a relocation site for GEM. This agenda item was presented to the Board during its February 18, 2003 meeting. The Board directed staff to prepare an agenda item that: (1) analyzes whether there is a need to relocate GEM within a specific time frame, and (2) if there is a need to relocate GEM, that a competitive process is followed, with qualifying sites limited to the Southern Strategy, Frenchtown/Front Porch, and Enterprise Zone boundaries.

Analysis

Leon County purchased the 3401 W. Tharpe Street building in 1982, and GEM has been located at this site since 1989. Per Board direction, the following: (1) analyzes whether there is a need to relocate GEM, and (2) describes a competitive process for identifying site options if the Board determines there is a need to relocate GEM.

- 1. Whether There is a Need to Relocate GEM** – GEM's current location is easily accessible and meets its anticipated 20-year space needs.

Good Location:

- **Ease of Access** – GEM is located approximately one mile from an I-10 interchange, on a minor arterial roadway. There are two TalTran bus stops servicing the area (one located at Capital Circle and Tharpe Street—approximately one-quarter mile from GEM; and one located at Tharpe Street and Blountstown Highway—approximately one-half mile from GEM).
- **Adequate, on-site parking** is available.
- **Customer Recognition**—in general, customers know where GEM is located, as it has been at 3401 W. Tharpe Street for more than 13 years.
- **Customer Satisfaction**—most often cited reasons customers gave for retaining GEM at its current location were: its ease of access to major roads, parking and the proximity to related businesses.

Meets Anticipated 20-year Space Needs:

- **Adequate Office Space** – The Tharpe Street building contains 26,061 gross square feet (GSF). GEM and the Health Department combined currently have 84 employees occupying 18,022 GSF, and with the relocation of the Supervisor of Elections warehouse GEM will gain 8,039 GSF (45% increase). In addition, Housing's and Neighborhood Justice's five employees and six interns, who currently occupy 2,597 GSF at the Railroad Avenue office will soon be relocated to the Tharpe Street site, bringing the total employees located at the GEM Office up to 95. However, even with this relocation of Housing and Neighborhood Justice, it is anticipated that the building will still meet the 20-year projected space needs.

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- Adequate Parking – The 96 parking spaces located at the Tharpe Street site provide a parking ratio of 1:271 GSF of office space (approximately eight spaces short of the current standard of 1:250 GSF).

Reasonable Maintenance:

- Recent maintenance improvements to the facility include a new roof (FY98/99), interior renovations to support GEM operations (FY 98/99 and FY 00/01), Indoor Air Quality Diagnostic Study (FY00/01), new front fascia and HVAC adjustments (FY01/02), and currently planned and budgeted interior re-carpeting and paint (FY02/03).
- The Tharpe Street building is favorable from a maintenance efficiency perspective. GEM's office space (18,022 GSF), represents 1.7 % of the County's total facility inventory (1,050,068 GSF, excluding the jail). Facilities Management completed 281 work orders for GEM last year: 159 for repairs (57%) and 122 for preventative maintenance (43%), which represents 3% of work orders completed last year. Any renovations of the Tharpe Street building would only result in a more favorable maintenance efficiency rating.
- The current floor plan is essentially square, which is extremely efficient from an operating standpoint, since perimeter walls are minimized and central core facilities may be shared (e.g., restrooms, etc.).
- Slab-on-grade construction offers maximum strength for furnishings, occupancy loads and storage of records, etc. (this may not be available through elevated construction).
- An existing rear loading dock is available for use in making building deliveries, etc.

Upgrades Currently Funded:

- The current budget includes an allocation of \$1,095,000 to renovate the building according to a master plan developed by Welch and Ward Architects. This master plan will need to be modified to include space for the Housing and Neighborhood Justice employees who will be relocated to the GEM office. The scope of the project, which is anticipated to take one year to complete, includes: build-out of the vacant Elections Supervisor's warehouse; ceiling replacement; HVAC system replacement (staff anticipates that a 30% efficiency improvement will be realized by replacing this system); electrical updates; some floor redefinition; ADA improvements; and relocation of Housing and Neighborhood Justice Center to this location. Staff completed a similar renovation project at the Agriculture Center located on Paul Russell Road approximately two years ago.

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- When the Board identified site alternatives for the County's long-term space needs, projections ranged from approximately \$110/sf up to \$160/sf. This means that in order to duplicate the Tharpe Street facility today, the cost could range between \$2.87 million and \$4.17 million, and would most likely be at a mid-point of approximately \$3.52 million.
- Additional funding would be needed to relocate GEM. There is no identified funding source for the relocation of GEM.

2. Proposed Competitive Process for Identifying Site Options – The purchase of real property is exempted from the Board's Purchasing Policy and is guided by Board Policy 03-01, Approval Authority for the Acquisition, Disposition, and Leasing of Real Property, which provides in part:

- Acquisition of Real Property (Section 5(b)): Property with an acquisition price which exceeds \$250,000 shall be considered by the Board at a public hearing no earlier than 30 days after notice of such public hearing is advertised in a newspaper of general circulation published in the County.
- Appraisals (Section 4): Acquisitions, sales or dispositions, in which the estimated value of the real property exceeds \$500,000, require the County to retain to two independent state-certified appraisers to each prepare an appraisal report with an estimate of the fair market value of the real property at its highest and best use.

The Board has directed that, if it decides to relocate GEM, a competitive process be followed for identifying site alternatives. During its February 18, 2003 meeting, the Board limited site options to those within the following geographic boundary(ies): Southern Strategy (Attachment #2), Frenchtown/Front Porch (Attachment #3) and the Enterprise Zone (Attachment #4).

Approaches for comparing site options include a numeric scoring system and a nonnumeric method, briefly described as follows:

- (A) **Numeric Scoring System** – A numeric scoring system approach was utilized in preparing the Side by Side Comparison Matrix for the March 19, 2002 workshop on long-term space needs. The matrix provided comparative data for alternate sites: space (GSF), parking, cost estimates (for purchase and renovation), distance from the Courthouse, driving time to/from the Courthouse, whether on Taltran's route, building structure, etc. Board comment on the matrix was that it was helpful to have all of the comparative data in a single form, however, that members of the Board would have assigned different weights to different factors and that price would have been highly weighted. This highlights a weakness of relying solely on a numeric method, with points assigned for different criteria, for comparing alternate sites.

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- It is difficult to predefine meaningful points and value ranges for desired facility needs, location and building features. It is also likely that not all important location and building features will be identified on the front-end.
- It may lead one to over-inflate the relative worth of the property earning the highest score (if, for instance, property "A" receives a total of 460 points, and property "B" receives 450 points, does it really mean that "A" is better than "B"? The point spread is likely close enough that this 10-point spread does not have much significance.)
- If not carefully constructed, a numeric process can minimize cost as a factor.

(B) **Nonnumeric Method** – In this approach, the rater(s) consider how each separate property would (or would not) meet each of the facility needs, location and building features, and consider the relative importance of each. Rater(s) then compare the results for each facility, and decide, on the whole, which property most completely meets the business needs. The greatest weakness in using this method is that the reviewer may over-focus on some items, while under-focusing or ignoring others.

To help overcome the inherent weaknesses of each approach, staff recommends using both methods, if Board direction is for staff to follow a competitive process to identify relocation sites. If so directed, staff would develop: (1) a property survey form for each property representative to complete and submit as their bid, and (2) a numeric score sheet.

After the bids are closed, staff will complete both the numeric and nonnumeric analysis for each site, and submit its ratings for the Board's consideration and action.

A recent appraisal placed the value of the Tharpe Street property at \$1.1 million. So the County is not in the position of owning and marketing the Tharpe Street property while it is purchasing another facility, staff recommends that the request for bids include a requirement that responses incorporate property exchange provisions. In exchange for acquiring ownership of the Tharpe Street property, proposers would need to agree to credit the value of the Tharpe Street property toward the purchase of their proposed facility. The balance of the purchase price would be publicly advertised and a public hearing would be scheduled in accordance with Board Policy for the acquisition of real property.

DOT has recently contacted the County regarding an acquisition of a portion of the Tharpe Street property needed for the intersection improvement at Capital Circle Northwest. Further, the County will likely need to acquire additional right-of-way for its Tharpe Street widening project, presently in the corridor study phase. Therefore, staff recommends additional analysis by the appraiser with regard to the effect the County and DOT property needs will have on the value of the Tharpe Street property. This information will need to be obtained prior to the release of the bid request.

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Staff is seeking direction from the Board on the following:

- (1) Whether to retain GEM in its current location or to proceed with a process for identifying alternate site options for the relocation of GEM;
- (2) If the Board directs staff to identify relocation sites:
 - (a) Whether the competitive process described in this agenda item is acceptable or requires modification;
 - (b) Whether the geographic boundaries identified in the following maps accurately reflect the only acceptable geographic locations for bids for GEM's relocation: (Southern Strategy (Attachment #2), Frenchtown/Front Porch (Attachment #3) and the Enterprise Zone (Attachment #4);
 - (c) Whether staff should limit acceptable proposals to those sites offered for purchase, or whether proposals for lease should also be considered;
 - (d) Whether staff should limit acceptable proposals to existing facilities (those that are currently completely constructed or permitted and under construction, with construction scheduled for completion within approximately six months) or whether proposals for new construction should also be considered;
 - (e) Whether the proposals should be limited to those that incorporate property exchange provisions.

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Options

1. Direct staff to retain GEM in its current location and not issue a Request for Bids for relocation sites.
2. Direct staff to proceed with the competitive process as generally described in this agenda item, including provisions for the exchange of properties, and only consider site proposals from owners and authorized representatives for the sale of an existing facility within the following geographic boundaries: Southern Strategy Area (Attachment #2), Frenchtown/Front Porch (Attachment #3), and the Enterprise Zone (Attachment #4).
3. Direct staff to proceed with the competitive process as generally described in this agenda item, including provisions for the exchange of properties, and only consider site proposals from owners and authorized representatives for the sale of an existing facility or a facility to be constructed within the following geographic boundaries: Southern Strategy Area (Attachment #2), Frenchtown/Front Porch (Attachment #3), and the Enterprise Zone (Attachment #4).
4. Direct staff to proceed with the competitive process as generally described in this agenda item, including provisions for the exchange of properties, and only consider site proposals from owners and authorized representatives for the sale or lease of an existing facility within the following geographic boundaries: Southern Strategy Area (Attachment #2), Frenchtown/Front Porch (Attachment #3), and the Enterprise Zone (Attachment #4).
5. Direct staff to proceed with the competitive process as generally described in this agenda item, including provisions for the exchange of properties, and only consider site proposals from owners and authorized representatives for the sale or lease of an existing facility or proposal for new construction within the following geographic boundaries: Southern Strategy Area (Attachment #2), Frenchtown/Front Porch (Attachment #3), and the Enterprise Zone (Attachment #4).
6. Board Direction.

Recommendation:

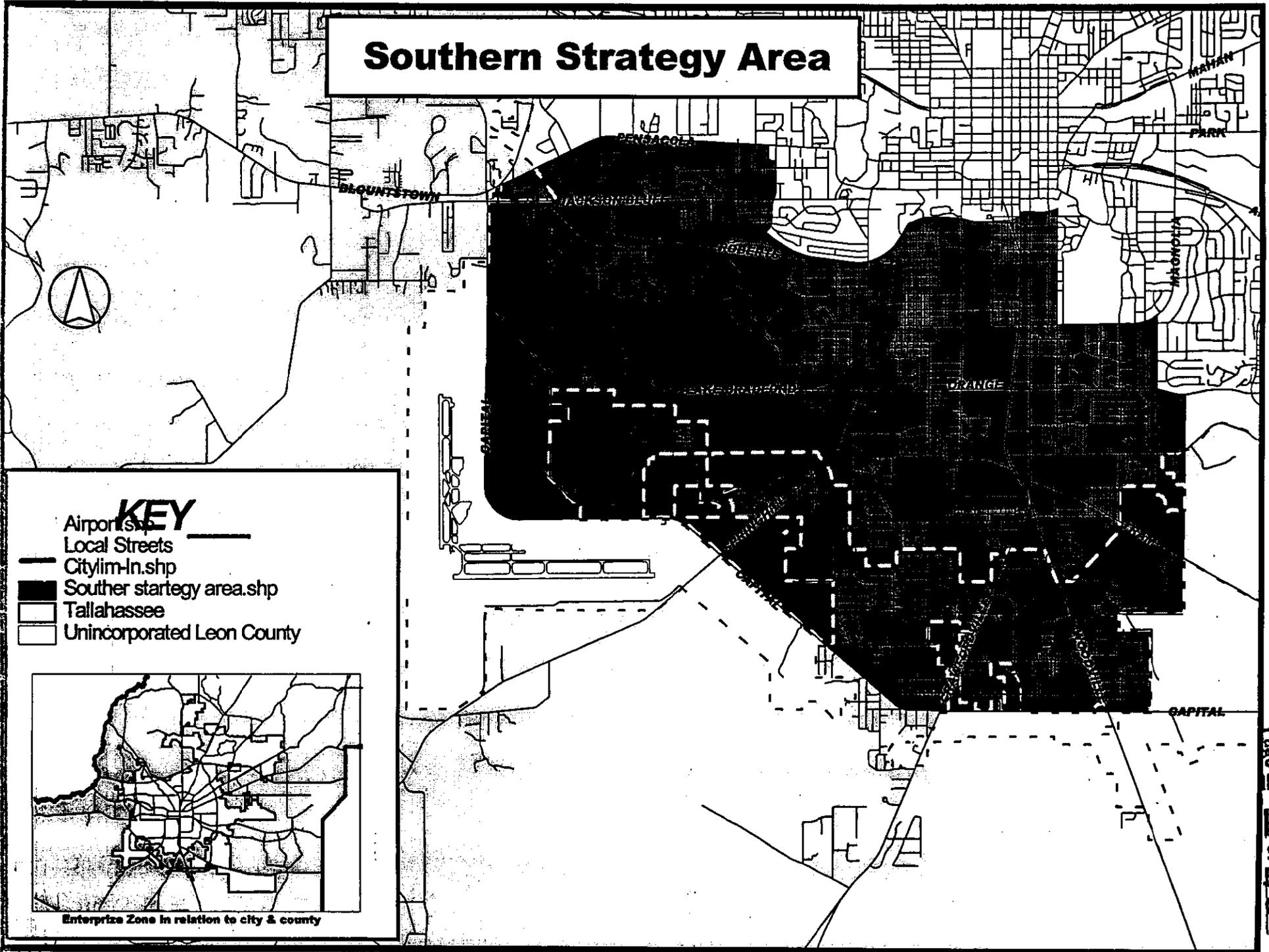
Board direction.

Attachments:

1. February 18, 2003 Agenda Item (includes 7/30/02 item, 12/10/02 item, 1/28/03 item, and minutes from the July 30, 2002 meeting).
2. Map of Southern Strategy Area Boundaries.
3. Map of Frenchtown and Front Porch Area Boundaries.
4. Map of Enterprise Zone Boundaries.

PA/KD/vlw

Southern Strategy Area



Frenchtown Front Porch Area

INTERSTATE 10

HARTSFIELD

THARPE

OLD BAINBRIDGE

MONROE

COLORADO

10TH

BANDONUM

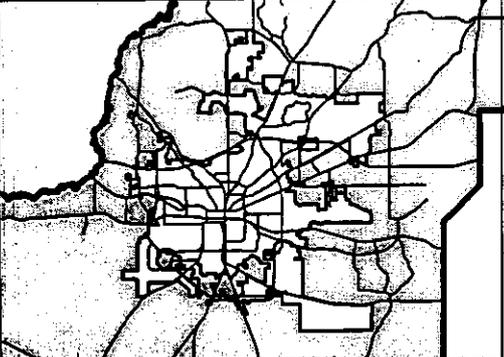
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TENNESSEE

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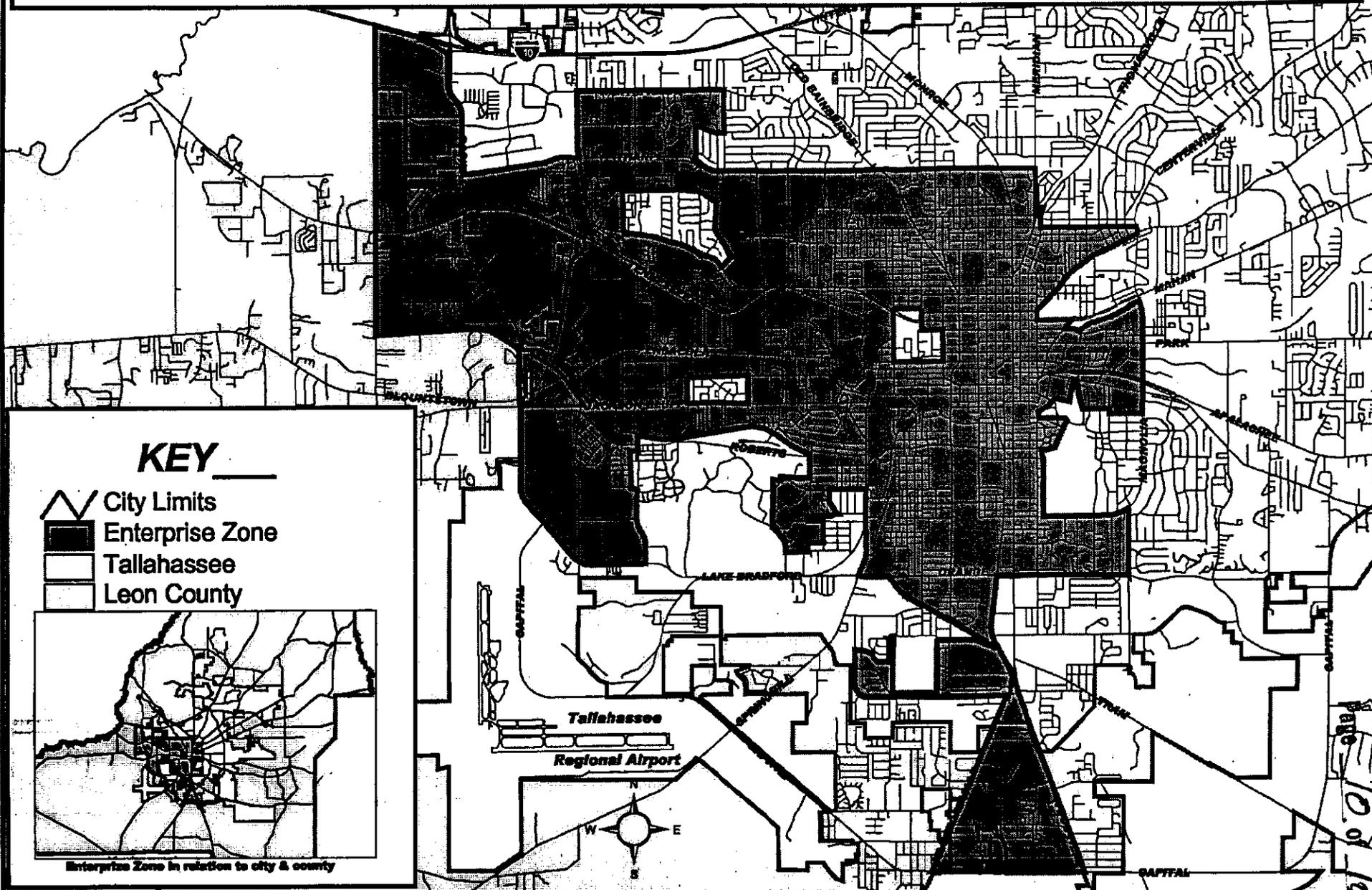
KEY

-  Airport.shp
-  Local Streets
-  Citylim-In.shp
-  Frenchtown front porch area.shp
-  Tallahassee
-  Unincorporated Leon County



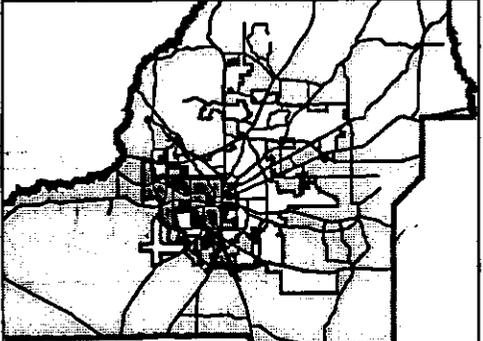
Enterprise Zone in relation to city & county

Tallahassee / Leon County Enterprise Zone



KEY

-  City Limits
-  Enterprise Zone
-  Tallahassee
-  Leon County



Enterprise Zone in relation to city & county

Attachment # 2
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